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CIA Defended Despite Student Subsidy Furore

Former High Official Says
Agency Is Being Blamed
for Top-Level Decisions

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WASHINGTON — The Central Intelligence Agency was defended publicly and privately Thursday despite widespread agreement on the lack of wisdom of the CIA subsidy to the National Student Assn.

A former very high official of the Kennedy and Johnson administrations said privately that the CIA is being made the goat for decisions taken at the highest levels of government. In both administrations, he disclosed, officials at the White House and the State Department, acting for both Presidents, knew what was going on.

In a speech on the Senate floor, Sen. Gale McGee (D-Wyo.) charged that much of the recent criticism of the CIA over the NSA subsidy was politically inspired.

'Short-Sighted Criticism'

"Short-sighted criticism of the Central Intelligence Agency's role in giving financial aid to the National Student Assn. is prompted primarily by those who wish to 'get the CIA' for any reason, any excuse," he said. "As a consequence, we are about to throw out the baby with the bath."

Sen. John Stennis (D-Miss.), chairman of the Senate preparedness subcommittee, called the controversy a "tempest in a teapot."

"When you discuss and analyze everything the CIA does publicly, then you destroy the CIA," he said.

Rep. Samuel S. Stratton (D-N.Y.) said:

"Everybody knows that youth organizations in Communist countries, and in most other foreign countries for that matter, are official spokesmen for their own national point of

view and not only directly subsidized but also organized, and controlled by their country's leadership.

"It makes sense to me that this country has recognized the realities and made some modest effort to insure that Communist propaganda at international youth gatherings was countered by American facts and figures by seeing that American young people had enough cash to get around to these gatherings."

Countering Communists

Allen Dulles, who was director of Central Intelligence during much of the period of the NSA subsidy, said that "we obtained what we wanted" in the way of countering Communist students at international gatherings.

"If," he said, "you study the student conference movement abroad during the early 1950s, you would find the Communists were making very effective use of them. The conferences had great propaganda value for them and were influencing the youth in the United States as well as in other countries."

"The Soviets had to retreat in this area. I think it is very convincing that strong representation by the United States caused them to back down. It discouraged them."

There was still plenty of criticism over the arrangement under which the CIA subsidized the NSA 14 years to help send students abroad. Still, the statements defending the CIA served to put the issue in broader perspective.

Had Authority

The former very high official in the Kennedy and Johnson administrations who discussed the question privately spoke as follows:

Generally, he said, it was known high in the government that the CIA was subsidizing American students at international conferences. He was certain that those officials at the White House and State Department who act for the President in such matters knew the details. How much detail was known to President John F. Kennedy and Mr. Johnson (and for that matter President Dwight D. Eisenhower before them) is uncertain.

However, he said, McGeorge Bundy, former

special assistant for national security affairs for Presidents Kennedy and Johnson, had authority to act in such matters. (Bundy is now president of the Ford Foundation.) Presumably, the former official said, Walt W. Rostow, who succeeded Bundy in the White House, has similar authority now.

The former official explained that detailed information on CIA-student relationships was available to the U.S. Intelligence Board, a body including representatives of the White House, State Department, Pentagon, Federal Bureau of Investigation and CIA, which meets regularly.

In retrospect, he said that, while the student-aid program was worthwhile, it was unwise for the government to have involved the CIA.

Members of the national supervisory board of NSA, which is meeting here, made it clear that NSA will not be disbanded as a result of the current controversy.

Chairman Sam Brown said the board would see to it that all CIA ties are severed and that internal reforms are made "to insure that this will not happen again."

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